



PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111 • FAX (360) 753-1112
Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

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Contact: Susan Harris
360-753-1981
1-877-601-2828

PDC Files Formal Complaint Against State Democratic Party

(Olympia) Formalizing a review that began a week ago, today the Public Disclosure Commission (PDC) staff issued a formal complaint against the Washington State Democratic Central Committee alleging multiple violations of the state's campaign disclosure law.

The complaint asserts that the state Democratic Party did not properly and timely report \$4.87 million in contributions and altogether failed to report another \$1.06 million in contributions it received during the summer and fall of 2000. It appears that approximately \$5.77 million of these donations came from federal political committees associated with the national Democratic Party. The remaining \$155,000 was primarily contributed by business and union sources.

"Based on an initial review of filings submitted by the state Democrats, our preliminary findings are that 37 C-3 contribution reports disclosing \$4.87 million were filed between 10 and 15 months late, with another six or more C-3 reports apparently still missing," said PDC Executive Director Vicki Rippie. "The missing reports are two years delinquent and counting," she added. Between June 1 and the November 7 general election in 2000, the state Democrats did file 122 C-3 reports of other contributions received for their exempt account.

Rippie said that this case against the state Democratic Party involving allegations that the party failed to properly report at least \$5.93 million far exceeds any other disclosure-related case in the agency's history.*

According to Rippie, "In terms of the sheer volume of money that went unreported, the amount is almost 7% of the total spent by all candidates and PACs in 2000. It's nearly equal to 60% of the combined amount spent by the 43 candidates for

statewide office in 2000, and almost \$1 million more than all 167 business PACs spent in 2000."

"This is serious money that no one disputes should have been on the public record before the 2000 election," Rippie observed.

The PDC expects the full investigation, which typically includes interviews and audit work, to take about two months. Should PDC staff ultimately file charges against the state party and take the case before the five-member citizen Commission, the maximum fine the Commission could impose is \$2,500, although the members and the party could agree to a more substantial penalty in lieu of referring the case to the Office of the Attorney General for prosecution.

A copy of the complaint is available on PDC's Web site at www.pdc.wa.gov under "Spotlight Services."

*In 1999, the Commission fined the Washington Federation of State Employees \$20,000, with \$5,000 suspended pending no violations for 2 years, for reporting \$312,323 in contributions from one to four years late. There were also some expenditure reporting issues present.

In 2001, the Commission fined the Amalgamated Transit Union Local 587 \$10,000, with \$7,500 suspended pending no violations for 4 years, for failing to register and report as a political committee. \$267,547 in contributions were reported ten months late.

In 1998, the Commission fined the King County Republican Central Committee \$5,000, with \$2,500 suspended pending no violations for 2 years, for reporting \$32,000 in contributions from two to three years late.

In 1999, the Commission fined the 38th District Democrats \$2,500 for reporting \$36,000 in contributions from three to nineteen months late.

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